

Section 11: National Provider Identifier



What Is the National Provider Identifier?

The Health Insurance Portability and Accountability Act (HIPAA) of 1996 requires the adoption of a standard unique identifier for healthcare providers. The final rule for the National Provider Identifier (NPI), which was issued on January 23, 2004, adopts the NPI as this national standard and applies to all health care providers. The NPI is a 10-byte, all-numeric identifier that will replace all proprietary identifiers used in HIPAA-covered electronic transactions to identify a provider. The first character is a 1 or 2 and the last character is a check digit designed to help ensure validity of the number. There is no embedded intelligence in the NPI—it is simply a unique number to identify a provider regardless of the provider's location, type, or specialty.

The NPI and N.C. Medicaid

Effective January 1, 2008, all submitted claims (except pharmacy claims) must contain the Medicaid provider number, NPI, and taxonomy. Like many other payers, N.C. Medicaid is adopting a mapping solution in which the NPI billed on the claim is mapped to the Medicaid provider number for claims adjudication. This crosswalk method of matching the NPI to the Medicaid provider number allows claims to process using current policy without any changes to claim processing edits and audits. Ideally, an NPI will be linked to only one Medicaid provider number, otherwise known as a one-to-one-match. If this one-to-one match does not occur, N.C. Medicaid has developed a mapping solution to determine the appropriate Medicaid provider number to assign to the claim. This mapping solution is built around a hierarchy using data elements from the claim, such as taxonomy codes, service location, billing provider ZIP codes, and procedure codes.

Atypical Providers

“Atypical” providers are providers that do not provide health care services and will not be issued NPIs. Atypical providers are individuals or businesses that bill Medicaid for services rendered but do not meet the definition of a healthcare provider according to the NPI Final Rule 45 CFR 160.103 (for example, non-emergency transportation providers). Claims filed by atypical providers will continue to use their legacy Medicaid provider number for billing.

Obtaining the NPI

Healthcare providers can apply for their NPIs at <https://nppes.cms.hhs.gov/NPPES/Welcome.do> (click on the link to *National Provider Identifier* and follow the instructions for applying). All HIPAA-covered physicians, suppliers, and other health care providers must apply for and be issued NPIs. In addition, all health plans must be able to accept the NPI instead of the plan-specific provider identifiers on all HIPAA standard transactions by **May 23, 2008**. When

applying for an NPI, providers are urged to include all Medicaid provider numbers on the NPI application form and indicate North Carolina as the state name.

NOTE: Applying for an NPI does not replace any enrollment or credentialing processes for N.C. Medicaid.

Once NPIs are obtained, they must be reported to N.C. Medicaid. A copy of the National Plan and Provider Enumeration System (NPPES) certification letter or e-mail for each NPI number reported must also be provided.

NPI Subparts

Any health care provider, including individuals and organizations (such as health plans, health care clearinghouses, and those health care providers who transmit any health information in electronic form) should have an NPI. A group or organizational provider may elect to subpart, or request multiple NPIs, for specific entities within their organization. A provider is a legal entity; a subpart is not a legal entity, but it furnishes health care. An example of a subpart is a hospital that subparts its NPI into separate NPIs for specific units within the hospital.

If a provider has multiple Medicaid provider numbers but does not elect to subpart, the claim will adjudicate through the mapping solution to determine which Medicaid provider number is associated with the particular NPI billed. Whereas the paper Remittance and Status Report (RA) will reflect the Medicaid provider number selected in addition to the NPI, the 835 transaction will contain only the NPI. There is no way to distinguish from each other claims from multiple providers that are paid under a single NPI.

The subpart concept does not apply to individuals; however, N.C. Medicaid strongly recommends that a provider consider obtaining a NPI for each of his regular Medicaid provider numbers. It is the choice of the provider to enumerate into multiple NPIs. Reporting one NPI for each Medicaid provider number will help ensure that claims are processed correctly and will allow for easier identification of claims payment. (See **NPI Effects on the Remittance and Status Reports and the 835 Transaction**, below, for further information.)

NPI and Provider Enrollment

Effective January 1, 2007, all provider enrollment applications and provider change forms must include the NPI and the address's ZIP+4. Providers applying for a new Medicaid provider number are required to submit the NPI and a copy of the NPPES certification letter or e-mail.

Reporting the NPI

Providers are required to report the NPI for each Medicaid provider number to N.C. Medicaid before claims can be paid. Providers are encouraged to access DMA's NPI and Address Database at <http://www.ncdhhs.gov/dma/NPI.htm> using either their Medicaid provider number or their NPI and verify the NPI, site address, and billing address.

- If all information is correct, no action is necessary.
- To correct typographical errors in the database, print the form, make corrections, and fax to the number on the printable form.
- To correct more serious (non-typographical) errors, submit a Provider Change Form (<http://www.ncdhhs.gov/dma/formsprov.html#admin>) and include any other applicable documentation.
- If the NPI does not appear in the database, print the form, enter the NPI, and fax to the number on the printable form with a copy of the NPPES certification.

Taxonomy and NPI

When a one-to-one NPI-to-Medicaid provider number match does not occur, the taxonomy will play an important role in determining the appropriate Medicaid provider number to use for claim processing. Providers may refer to the Washington Publishing Company Web site (www.wpc-edi.com/taxonomy) and the DMA Web site (http://www.ncdhhs.gov/dma/NPI/taxonomy_codes.html) in order to determine the appropriate taxonomy. The taxonomies recommended are not all inclusive and are to be used for claims processing only. Providers are not required to change the taxonomy that was previously reported to NPES or N.C. Medicaid Provider Enrollment.

Unknown NPI Report

Providers whose NPIs are not on file before NPI is implemented will have their claims denied. Because these NPIs are not on file, these claims will not appear on the RA but on a new report, the Unknown NPI Report. The report is generated on the same schedule as the Medicaid checkwrite cycle, but it will be delivered in a separate envelope from the paper RA, and will be sent to the billing provider address submitted on the 837 transaction or NCECSWeb submission.

The Unknown NPI Report lists the Medicaid claims for which the submitted NPI is unknown, giving the following information:

- Recipient's last name and first name
- Service date
- Recipient's Medicaid identification number
- Patient account
- Claim number (internal control number, ICN)
- Total amount billed
- Submitted NPI

To resolve these claims, follow these steps:

Action	Resolution
Was the NPI keyed correctly? (Check the Unknown NPI Report.)	If the NPI was incorrect, resubmit the claim as a new claim with the correct NPI. If the NPI on the report is correct, determine if the NPI was reported to DMA. If the NPI was not reported to DMA, follow instructions above on how to report the NPI.
Is the provider enrolled in the N.C. Medicaid program?	If not enrolled, go to http://www.ncdhhs.gov/dma/provenroll.htm for instructions to enroll as a Medicaid provider.
The NPI was correctly entered and has been reported to DMA, and the provider is enrolled in N.C. Medicaid, but the Unknown NPI Report has been received nevertheless.	Call EDS Provider Services at 1-800-688-6696 for assistance.

The status of claims identified on the Unknown NPI Report will not be available on the Automated Voice Response System (AVRS). Once the NPI has been reported to DMA and the claims have been resubmitted, claim status will be available.

Unresolved NPI Report

If a claim is submitted to N.C. Medicaid and the mapping solution cannot narrow the NPI submitted to one Medicaid provider number, the claim will be defined as “unresolved.” The provider will receive the Unresolved Report sent to the address on the claim, which will include instructions for required action(s).

NPI and the Automated Voice Response System

The AVRS will allow callers to use either their NPI or Medicaid provider number for inquiries. If the NPI is the chosen method to obtain information from the AVRS, some options will require knowledge of the existing Medicaid provider number(s).

If a provider chooses to use the NPI for inquiry, depending on how the provider enumerated with DMA, up to 15 validated Medicaid provider numbers will be returned to the voice server.

The two pricing options (procedure code and CAP pricing), the prior approval option, and the optical confirmation option within AVRS will require a single Medicaid provider number in order for the correct information to be obtained. When an NPI has been entered and multiple validated Medicaid provider numbers have been returned, the objective is to derive a single Medicaid provider number. The provider must enter the Medicaid provider number directly, or select it from an orated list. The caller may also obtain the correct Medicaid provider number to use from the RA.

NPI Effects on the Remittance and Status Reports and the 835 Transaction

Beginning in January 2008, paper RAs will display the billing provider’s NPI in addition to the Medicaid provider number. The NPI will appear directly above the Medicaid provider number on each page of the RA. Attending provider NPIs will not be displayed. The NPI shown on the RA will be the NPI reported to N.C. Medicaid for the billing Medicaid provider number. If no NPI appears, N.C. Medicaid does not have that NPI in the provider database and it should be reported as soon as possible. To report an NPI, visit the DMA NPI and Address Database at www.ncdhhs.gov/dma/NPI.htm.

Providers will receive a separate 835 transaction for each NPI and a separate RA for each Medicaid provider number.

Here’s a sample RA containing an NPI:

NPI XXXXXXXXXX		North Carolina Medicaid – Remittance and Status Advice							
Provider Number:		Date:		02/14/2006		Pa			
Name	Service Dates	Days/	Procedure/Accommodation/	Total	Non	Total	Payable		
Recipient ID	From	To	Units	DrugCode and Description	Billed	Allow	Allowed	Carback	
PAID CLAIMS									
DRUG									
FIRST N	SVC	RI							
RECIPIENT ID	LAST NAME	NAME I	DATE	NUM	DRUG CODE	DRUG NAME	QTY	CLAIM NUMBER	TOTAL BILLED

NPI and Claim Submission Guidelines

Paper Claim Submissions. Refer to **Section 5, Submitting Claims to Medicaid**, in this billing guide or the June 2007 special bulletin, *New Claim Form Instructions*.

Vendors and Clearinghouses. Refer to the *HIPAA Implementation Guide*.

North Carolina Electronic Claims Submission (NCECS) Users. Refer to the July 2007 special bulletin *NCECSWeb Instruction Guide*.

Carolina ACCESS. See **Section 4, Managed Care Provider Information**, in this billing guide..

Electronic Mailing List for NPI Updates

Providers, software vendors, and clearinghouses may subscribe to an electronic mailing list to receive immediate e-mail updates regarding NPI. To subscribe to the electronic mailing list, visit www.ncdhhs.gov/dma/NPI.htm and click on the link [for the list](#).

NPI—Frequently Asked Questions

1. How can providers learn more about NPI?

The Centers for Medicare and Medicaid Services (CMS) has created a slide presentation to answer many NPI questions. You can access the [viewlet](#) here. Additional information, including frequently asked questions (FAQs), can be found on the CMS Web site and on the DMA Web site at www.ncdhhs.gov/dma/NPI.htm.

2. How do providers know if they are eligible to receive an NPI?

All health care providers, as defined in [45 C.F.R. § 160.103](#), are eligible to obtain an NPI. Entities that do not provide health care (for example, non-emergency transportation services) are not required to obtain an NPI because they do not meet the definition of “health care provider.”

3. May health care providers use the NPI when submitting claims to N.C. Medicaid prior to NPI implementation?

Yes. N.C. Medicaid encourages providers to begin submitting both the NPI and taxonomy, along with the Medicaid provider number, on claims. If your software is not updated to submit the NPI number, please contact your clearinghouse or software vendor as soon as possible to obtain the appropriate updates. Please ensure that you keep the capability to submit the Medicaid provider number along with the NPI. N.C. Medicaid will continue to process claims using the Medicaid provider number until NPI is fully implemented.

4. If a provider has seven different offices, are they supposed to subpart?

While N.C. Medicaid cannot require providers to enumerate in a certain way, we recommend that providers obtain an NPI for each Medicaid provider number currently in use. Refer to the Director’s Letter from CMS on the DMA Web site (www.ncdhhs.gov/dma/NPI.htm, under CMS Information) for guidance.

5. If providers currently have both group and attending provider numbers, how many NPI numbers are required?

N.C. Medicaid recommends that providers obtain an NPI for each Medicaid provider number currently used.

6. Do providers who have both group and individual NPIs need to report all of them to Medicaid?

Yes. Providers must report all NPIs to N.C. Medicaid.

7. Will providers who have multiple Medicaid group provider numbers receive separate payments?

Providers receive separate RAs and separate payments for each Medicaid provider number. The 835 transaction will contain only the NPI. The paper RA will contain both the NPI and the Medicaid provider number.

8. What taxonomy do providers use for Community Support services?

Providers must select the taxonomy code that most appropriately matches the services provided. Providers may select multiple taxonomies for each NPI. To determine the appropriate taxonomy, refer to the Washington Publishing Company Web site (www.wpc-edi.com/taxonomy) and the DMA Web site (http://www.ncdhhs.gov/dma/NPI/taxonomy_codes.html).

9. Will Carolina ACCESS referrals switch to using the NPI?

Yes. Providers must obtain the NPI of the Carolina ACCESS primary care provider or referring provider.

10. As a prescribing provider, do I need to share my NPI with pharmacies?

Yes. Pharmacies will need the prescribing provider's NPI in order for their claims to process.

11. Where can I find a list of recommended taxonomy codes?

Check the DMA Web site, http://www.ncdhhs.gov/dma/NPI/taxonomy_codes.html. The taxonomies recommended are not all inclusive and are to be used for claims processing only. Providers are not required to change the taxonomy code that was previously reported N.C. Medicaid Provider Enrollment. Providers may also refer to the Washington Publishing Company Web site, www.wpc-edi.com/taxonomy.

12. How many NPIs should a sole proprietor have?

A sole *proprietor* is not an incorporated individual because the sole proprietor has not formed a corporation. Being a sole or solo *practitioner* does not necessarily mean that the practitioner is a sole proprietor, and vice versa. A sole proprietor is eligible for only one NPI, just like any other individual. For example, if a durable medical equipment supplier is a sole proprietor, s/he is eligible for only *one* NPI (the individual's NPI), regardless of the number of different locations the supplier may have, whether the sole proprietorship has employees, and whether the Internal Revenue Service has issued an Employee Identification Number (EIN) to the sole proprietorship so that the employees' W-2 forms can reflect that EIN instead of the sole proprietorship's Taxpayer Identification Number.